

SUPPORTING STATEMENT for PAPERWORK REDUCTION ACT SUBMISSIONS

PART A - JUSTIFICATION

Information Collection: Section 3 Business Registry Self-Certification Application

A1. Circumstances Making Information Collection Necessary

The Department of Housing and Urban Development (HUD) will be implementing a six month pilot program where the agency will be maintaining a registry of businesses that have self-certified their status as Section businesses. The Section 3 business pilot registry will be implemented in five metropolitan areas: Washington, DC; Los Angeles, CA; New Orleans, LA; Miami, FL; and Detroit, MI. This pilot registry will facilitate the award of contracts and subcontracts to eligible firms in compliance with the Section 3 regulation at 24 CFR Part 135.

A2. How and By Whom the Data will be Used

The Section 3 Business Registry will collect public business contact information from eligible Section 3 businesses and compile it into a database of self-certified firms which will be used by State and local governments, Public Housing Authorities, developers, and other entities when covered contracting opportunities are available.

This pilot business registry will enable recipients of Section 3 covered HUD financial assistance to meet their regulatory obligations by ensuring that contracting opportunities are provided to local firms that are either owned by low- or very-low-income persons or substantially employ them.

Modifications to existing application submission and or reporting requirements include:

There are no modifications to existing application submissions or reporting requirements.

A3. The Extent of the Collection of Information Involving the Use of Automated, Electronic, or Other Forms of Information Technological

The Section 3 Business Registry self-certification application and database are electronic documents, which will be maintained on HUD's Section 3 webpage.

A4. Efforts to Identify Duplication

There is no duplication of information. While the Small Business Administration (SBA) and the Veteran's Administration (VA) maintain similar databases, neither of these agencies maintain a registry of self-certified Section 3 Businesses.

A5. Efforts to Minimize the Burden on Small Entities

This collection does not impose a significant burden on Small Entities. Careful measures were taken to streamline the application to eliminate such risks.

A6. Consequences of Less Frequent Data Collection

The Department is implementing the Section 3 Business Registry in an effort to provide recipients of covered HUD assistance with a valuable tool to facilitate their compliance with the regulatory requirements of Section 3. The Department anticipates that having this registry will enable grantees to identify Section 3 firms that have self-certified their eligibility to receive covered contracts; thereby, ultimately increasing their overall compliance with the regulation.

A7. Circumstances Requiring Deviation from Guidelines of 5 CFR 1320.6

There are no circumstances requiring deviation from 5 CFR 1320.6.

A8. Federal Register Publication

This information is collected in a manner consistent with guidelines of 5 CFR 1320.8(d). The agency Notice announcing this collection of information appeared in the *Federal Register* on January 20, 2011 (Vol. 76, No. 13). Requests for additional information were received, but no substantive comments were submitted.

A9. Incentive Payments and Gifts

This information collection does not involve any payments or gifts to respondents.

A10. Arrangements and Assurances Regarding Confidentiality

The Section 3 Business Registry application does not request any confidential information from eligible businesses.

A11. Sensitive Questions

This information collection does not request information of a sensitive nature. The Section 3 Business Registry will compile public (non-confidential) business information for eligible businesses into a database to be used by State and local governments, public Housing Authorities, developers and other entities when covered contracting opportunities are available for Section 3 businesses. Specifically, the Section 3 Business Registry application will request the following information:

- Business Name
- Business Address
- Business Telephone Number
- Business Point of Contact
- Business Email Address
- Business Web Address
- Identification of Business Specialty/Services Provided
- Self-Certification of Section 3 Business Status

A12. Estimate of Recordkeeping and Reporting Hour Burden on Respondents

	Number of Respondents	Frequency of Use	Hours/Response	Burden Hours
Application Submission	1,000	1	1	1,000

The number of respondents is an estimate based upon the possible universe of eligible Section 3 businesses in each of the five pilot locations.

TOTAL NUMBER OF RESPONDENTS: 1,000

TOTAL BURDEN HOURS: 1,000

Annualized Cost to Respondents for Hour Burdens for Information Collections

It is estimated that each application for the Section 3 Business Registry will take less than one hour to complete. These applications will be submitted one time during the pilot program. Reapplication procedures will be determined after the end of the six-month pilot program.

Total costs were calculated (rounded to the nearest dollar): ***Total Burden Hours (1,000) x Construction Manager Hourly Rate (\$28.34) = \$28,340.***

A13. Estimate of Recordkeeping and Reporting Cost Burden on Respondents

This information collection does not result in any additional cost burden to respondents.

A14. Estimated Cost to the Federal Government

There will not be any additional cost to the Federal Government as a result of this information collection beyond the usual personnel costs to verify applications and monitor outcomes from the pilot program.

A15. Reasons for Change in Burden

The proposed information collection is new and does not propose changes to any existing information collection.

A16. Plans for Tabulation, Analysis, and Publication

The Department will publish public business information for Section 3 businesses in its database that will be posted on HUD's Section 3 webpage. This information will allow State and local governments, Public Housing Authorities, developers, and others to contact self-certified Section 3 businesses when covered contracting opportunities are available.

A17. Reasons for Not Displaying the OMB Expiration Date

This information collection is not seeking approval to not display the expiration date for OMB approval of the information collection.

A18. Exceptions

There are no exceptions to the certification statement identified in Item 19 of OMB Form 83-1.

PART B - EMPLOYMENT OF STATISTICAL METHODS

This information collection does not employ statistical methods.